

SENATE BILL 2397

By Bell

AN ACT to amend Tennessee Code Annotated, Section 67-6-303, relative to exemption from sales tax on motor vehicles for certain members of the armed forces.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-303, is amended by adding the following as a new subsection (b) and by redesignating the existing subsections (b) and (c) accordingly:

(b)

(1) There is exempt from the sales tax the retail sale of a motor vehicle subject to registration in this state pursuant to title 55 that is not registered in this state, if the vehicle is sold to a member of a uniformed service in active military service of the United States, as defined in § 58-1-102, who is stationed outside the United States under orders of the member's branch of service and has established this state as the member's domicile.

(2) For purposes of the exemption provided in subdivision (b)(1), domicile may be inferred if the member has registered to vote in this state, has listed this state as the member's state for tax purposes on the member's military leave and earnings statement (LES), or has taken other action that clearly indicates the member's intent to permanently reside in this state.

(3) Use of such motor vehicle within this state subsequent to purchase, but prior to removal from the state, does not constitute a use subject to tax.

SECTION 2. This act shall take effect July 1, 2012, the public welfare requiring it.